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Operational/ZIPPER

Aschen Meeting with UTILITY

1. Aschen met with UTILITY at the home of [] for two hours on Sunday, 31 Aug 54. [] and [] were present.

2. The following is a summary of the main topics of conversation:

Political Situation in France

a. Aschen related his own impressions of MENDES-FRANCE based on a meeting in the U.S. during the early years of WW II and a second meeting in Washington some months before MENDES-FRANCE became head of the French government. Aschen had been impressed by MENDES-FRANCE's energy and drive during the first meeting; by his interest and apparent expertise in economic and fiscal matters in the more recent conversation which lasted several hours and took place in Aschen's Washington office.

b. Aschen specifically stated that KUBARK had no information of any secret deal between MENDES-FRANCE and the communists at Geneva. Aschen and UTILITY agreed that there was probably no secret deal at Geneva but that MENDES-FRANCE might have political aims or plans which involved a more compromising position vis-a-vis the Soviets than had been exhibited by some of his predecessors.

c. UTILITY noted that, according to information received from [] MENDES-FRANCE does support the early return of German sovereignty and early legalization of ZIPPER.

Press Relations

a. Aschen emphasized the importance of public opinion and the character of the free press in America. He described his own method of handling publicity in the U.S. press. As a general rule, KUBARK does not prepare handouts on KUBARK for the press. It does encourage the press to submit articles on KUBARK for consideration prior to publication. KUBARK action is then limited to labelling those parts of an article which, if published, would be detrimental to the national interest. KUBARK does not either confirm or deny substantive information in such articles.

b. UTILITY's views on this subject were not particularly significant; he expressed full agreement with Aschen's thoughts on this subject.

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COMMENT: Actually ZIPPER has made great strides in establishing contact with the German press since the latter part of 1950.

Relations with the Legislature

a. Aschen described in some detail the relationship of KUBARK with the U.S. Congress. He discussed the manner in which the KUBARK budget is presented to a subcommittee of the committee dealing with the larger defense budget, emphasizing the demonstrated reliability and responsibility of the members of the committee. Although KUBARK, as an executive agency, is not required to reveal operational information of covert activities, Aschen has placed considerable confidence in the members of Congress involved who have, in turn, always treated KUBARK information properly.

b. The "no-year-reserve" was discussed with UTILITY. This sum, about 1% of the regular budget, was at the disposal of Aschen to cover unforeseen operations, usually of a covert political nature. The decisions to draw upon this sum were usually related to decisions by the NSC which were to be carried out by KUBARK.

KUBARK-type Activities

a. Aschen warned UTILITY about ever getting involved with any activities designed to influence internal public opinion since the government will always use internal press and public opinion media to support government issues which may be strongly opposed by the opposition.

The Newsmag Article

a. Aschen again emphasized the curious and free character of the press. The Newsmag article which recently described UTILITY and ZIPPER in derogatory terms was, Aschen pointed out, an example of this. Newsmag had, he said, submitted the article to KUBARK which pursued its usual policy of commenting only on information contrary to the national interest.

Security in Government

a. This was the most substantive aspect of the discussion. Aschen discussed the COYOTE philosophy, the unescapable responsibility of the head of an executive agency, the role of the investigative and information-providing organizations, the problems involved in defining "security risks" and the general nature of KUBARK's own safeguards. The security section of KUBARK, Aschen stated, has approximately 100 people and are responsible for conducting background investigations on prospective staff members.

b. Aschen expressed the opinion that exhaustive background checks are the best safeguard against high-level penetration. He noted that post facto examination of the background data on the most serious defection and espionage cases of the past few years inevitably revealed information which, properly evaluated, should have caused the individual to have been labelled a bad security risk. UTILITY agreed with Aschen's analysis and described some of the problems that have faced ZIPPER—lack of legal status, incomplete files, inadequate security system.

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with UFORJAHN, etc.

Legalization of ZIPPER

a. UTILITY explained his reasons for pressing for an early legalization of ZIPPER.

b. Aschen assured UTILITY that we share his desire for an early legalization.

Future KUBARK/ZIPPER Relations

a. UTILITY referred to his earlier letter to Aschen's predecessor and assured Aschen that this remained an accurate expression of his position. In many matters, UTILITY added, the future relationship of ZIPPER and KUBARK could become even closer than it is today. Explaining this statement, he noted that many persons who oppose ZIPPER's legalization are eagerly searching for information which would prove that ZIPPER's relations with KUBARK go beyond that which could be considered acceptable in an organization aspiring to become the OIS.

b. Aschen expressed full understanding on this point.

COMMENT: The question of ZIPPER depositing its signal plans, ciphers and microfilms of operational files with KUBARK in Washington was not specifically mentioned. However, [] had earlier briefed Aschen on this problem. Just a few days prior to Aschen's visit, UTILITY, citing political considerations, had made a decision that, for the present, this data would not be deposited with KUBARK.

c. Aschen told UTILITY of his satisfaction with KUBARK/ZIPPER relations and emphasized that his esteem and trust for UTILITY as an individual was evident in the fact that he was the only German that Aschen was seeing on this trip which was being handled with minimum publicity.

High-level Penetrations of UFORJAHN

a. Aschen, who had been rather extensively briefed on UTILITY's views on this subject, approached the matter through the JOHN case. He and UTILITY agreed that, regardless of who called the signals, JOHN probably did not know until the night of the 20th of July that his visit to East Berlin was destined to be a one-way trip. Beyond that point the case was anything but clear. Aschen related his own concern during WW II with the obvious fact that the German Resistance was obviously split in its loyalties between the Soviets and the Western Allies. Some discussion of specific personalities followed.

b. UTILITY noted that he had had various reservations about JOHN prior to his defection but had not been in possession of any positive information that JOHN was in touch with the Soviets.

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c. There was some discussion of the British role in the JMW case with UTILITY's deeply rooted suspicion of the British reflected.

d. UTILITY expressed his deep concern with high-level penetration of UFGROWTH. There was no detailed discussion. [] had, prior to the meeting briefed Aschen in detail; UTILITY had been informed of this immediately before his meeting with Aschen.

ZIPPER Relations with the RIV

a. UTILITY said that some change in the RIV was necessary. However, these should be limited to changes that did not involve the basic law.

b. In reply to a specific question by [], UTILITY labelled as untrue all stories which described his desires to take the RIV under his wing. He also reaffirmed his position that internal security and external intelligence (including counterespionage), should be separated.

Relations with the Executive

a. Aschen stressed the importance of the executive branch of the government having final authority for covert operations. UTILITY agreed and told Aschen of the present plan for a German NSC. This would leave the final authority in the hands of the chief executive. In this connection, UTILITY noted the plan to have a parliamentary committee, very small and very carefully chosen, established to ensure parliamentary support. Aschen thought this was a good solution as long as the final authority of the executive was clearly defined.

ZIPPER/KUMARK Cooperation in Other Parts of the World

UTILITY, who had shortly before been briefed by [] that Aschen had mentioned the possibility of Germans working against communism in [] made a general statement to Aschen that he was prepared to cooperate with KUMARK in any part of the globe where Germans could be effective and the fight against communism could be carried out. Aschen thanked him and expressed the view that there undoubtedly were such areas.

Financial Support

a. UTILITY told Aschen that UFGROWTH was making plans to assume financial responsibility for ZIPPER at the time of transfer.

b. Aschen told UTILITY that KUMARK was prepared to help out financially during the period of adjustment following legalization if such assistance should be necessary.

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3. UTILITY expressed appreciation and gratitude for the opportunity to visit with Acheson. Prior to the meeting, Acheson stated that he intended to use the opportunity to build UTILITY up a bit. The effect achieved was exactly that; UTILITY emerged in an excellent frame of mind, with his conviction reaffirmed that a long-range and close cooperation with ENBAER was both desirable and possible.

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